

**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES**

**IN THE MATTER OF:**

██████████  
████████████████████  
████████████████████

Reg. No.: 14-008613  
Issue No(s): 2003; 3003  
Case No.: 103038337  
Hearing Date: ██████████  
County: Wayne (76)

**ADMINISTRATIVE LAW JUDGE:** Eric Feldman

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on September 4, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Assistant Payment Supervisor.

**ISSUE**

Did the Department properly close Claimant's Food Assistance Program (FAP), Medical Assistance (MA), and Medicare Savings Program (MSP) benefits effective July 1, 2014?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Claimant was an ongoing recipient of FAP, MA, and MSP benefits. See Exhibit 1, pp. 14-44.
2. On May 13, 2014, the Department sent Claimant a redetermination, which was due back by June 3, 2014.
3. The Department alleged that Claimant failed to submit a completed redetermination.
4. Effective July 1, 2014, Claimant's FAP, MA, and MSP benefits closed due to her alleged failure to submit a completed redetermination.

5. On July 21, 2014, Claimant filed a hearing request, protesting the FAP, MA, and MSP closure. See Exhibit 1, pp. 2-3.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

The Medicare Savings Programs are SSI-related MA Categories. BEM 165 (April 2014), p. 1. The three Medicare Savings Programs are Qualified Medicare Beneficiaries (also known as full-coverage QMB); Specified Low-Income Medicare Beneficiaries (also referred to as limited coverage QMB and SLMB); and Additional Low-Income Medicare Beneficiaries (also known as ALMB or Q1). BEM 165, p. 1.

As a preliminary matter, Claimant testified that she disputed her FAP allotment for August 2014. However, Claimant did not indicate in her hearing request a dispute with the August 2014 FAP allotment. See Exhibit 1, pp. 2-3. As such, this Administrative Law Judge (ALJ) will not address Claimant's August 2014 FAP allotment. See BAM 600 (July 2014), pp. 4-6. Claimant can file another hearing request to dispute her August 2014 FAP allotment. See BAM 600, pp. 4-6.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (April 2014), p. 6. This includes completion of necessary forms. BAM 105, p. 6.

A complete redetermination is required at least every 12 months. BAM 210 (October 2013 and July 2014), p. 1.

For FAP cases, benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210, p. 2. If the redetermination packet is not logged in by the last working day of the redetermination month, the Department automatically closes the Eligibility Determination Group (EDG). A DHS-1605, Notice of Case Action, is not generated. BAM 210, p. 10.

For MA cases, benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210, p. 2. Benefits are not automatically terminated for failure to record receipt of the redetermination packet. BAM 210, p. 10.

A redetermination/review packet is considered complete when all of the sections of the redetermination form including the signature section are completed. BAM 210, p. 10. When a complete packet is received, the Department records the receipt in its system as soon as administratively possible. BAM 210, p. 10. If the redetermination is submitted through MI Bridges, the receipt of the packet will be automatically recorded. BAM 210, p. 10.

In this case, Claimant was an ongoing recipient of FAP, MA, and MSP benefits. See Exhibit 1, pp. 14-44. On May 13, 2014, the Department sent Claimant a redetermination, which was due back by June 3, 2014. The Department testified that Claimant failed to submit a completed redetermination. Therefore, the Department testified that Claimant's FAP, MA, and MSP benefits closed effective July 1, 2014.

As stated per BAM 210, a DHS-1605, Notice of Case Action, is not generated if Claimant failed to submit a redetermination regarding FAP benefits. BAM 210, p. 10. However, the Department appeared to present the Notice of Case Action notifying Claimant of her MA/MSP closure. On July 17, 2014, the Department sent Claimant a Health Care Coverage Determination Notice (Determination Notice) notifying her that her MA benefits closed effective January 1, 2014, ongoing, due to not being eligible and she failed to verify information necessary to determine eligibility. See Exhibit 1, p. 7. Also, the Determination notice notified Claimant that her MSP benefits closed effective August 1, 2014 due to her not being eligible. See Exhibit 1, p. 8.

A review of the Determination Notice presents conflicting information because it did not state the appropriate closure date (i.e., closed effective July 1, 2014) nor did it indicate the closure was based upon a failure to submit a redetermination. Nevertheless, both parties agreed during the hearing that Claimant's FAP, MA, and MSP benefits closed effective July 1, 2014.

At the hearing, Claimant acknowledged that she received the redetermination. Claimant testified that she submitted the redetermination online via MI Bridges on May 23, 2014. In fact, Claimant testified that she received two e-mails from MI bridges indicating a new correspondence notification on May 24, 2014. See Exhibit A, pp. 1-2. Claimant testified that she was unable to retrieve the new correspondence. Claimant provided a copy of the two e-mails dated May 24, 2014. See Exhibit A, pp. 1-2.

Based on the foregoing information and evidence, the Department improperly closed Claimant's FAP, MA, and MSP benefits effective July 1, 2014.

First, Claimant credibly testified that she submitted the redetermination via MI Bridges on May 23, 2014, which was before the due date. Moreover, it appears that Claimant submitted the redetermination because MI Bridges sent her new correspondence the following day. See Exhibit A, pp. 1-2.

Second, the Department failed to provide evidence that Claimant received a proper closure notice for the MA/MSP benefits. As stated above, a DHS-1605, Notice of Case Action, is not generated if Claimant failed to submit a redetermination regarding FAP benefits. BAM 210, p. 10. Upon certification of eligibility results, the Department automatically notifies the client in writing of positive and negative actions by generating the appropriate notice of case action. BAM 220 (January 2014 and July 2014), p. 1. A notice of case action must specify the following:

- The action(s) being taken by the department.
- The reason(s) for the action.
- The specific manual item which cites the legal base for an action or the regulation or law itself.
- An explanation of the right to request a hearing.
- The conditions under which benefits are continued if a hearing is requested.

BAM 220, p. 2.

The Determination Notice (dated July 17, 2014) failed to indicate the proper closure date or the proper reason for the closure. Additionally, a review of Claimant's Eligibility Summary indicated that the FAP, MA, and MSP benefits closed effective July 1, 2014. See Exhibit 1, pp. 14-44. The MA and MSP benefits showed that the certification date for the closure was June 19, 2014. See Exhibit 1, pp. 14-44. Thus, either the Department failed to provide the proper Determination Notice or the notice provided during the hearing failed to meet the proper notification requirements. See BAM 220, p. 2. Because Claimant credibly testified that she submitted the redetermination before the end of the benefit period and the Department failed to provide evidence of a proper closure notice, the Department improperly closed her FAP, MA, and MSP benefits effective July 1, 2014, in accordance with Department policy. See BAM 105, p. 6; BAM 210, pp. 2-10; and BAM 220, pp. 1-2.

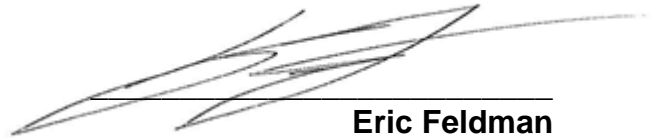
### **DECISION AND ORDER**

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it closed Claimant's FAP, MA, and MSP benefits effective July 1, 2014.

Accordingly, the Department's FAP, MA, and MSP decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Claimant's FAP, MA, and MSP case as of July 1, 2014;
2. Begin recalculating the FAP, MA, and MSP budget for July 1, 2014, in accordance with Department policy;
3. Issue supplements to Claimant for any FAP, MA, and MSP benefits she was eligible to receive but did not from July 1, 2014; and
4. Notify Claimant in writing of its decision in accordance with Department policy.



**Eric Feldman**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: September 10, 2014

Date Mailed: September 10, 2014

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides or has its principal place of business in the State, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

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A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-07322

EJF/cl

cc: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
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